

DIVISION OF FAMILY DEVELOPMENT

COMMUNITY CHILD CARE

CONTRACT PACKAGE

(updated 9/05)

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STATE OF NEW JERSEY
DEPARTMENT OF HUMAN SERVICES

STANDARD LANGUAGE DOCUMENT
FOR SOCIAL SERVICE AND TRAINING CONTRACTS

This CONTRACT is effective as of the date recorded on the signature page between the Department and the Provider Agency identified on the signature page.

WHEREAS the New Jersey Department of Human Services (the "Department") has been duly designated under the authority of N.J.S.A. 30:1A-1, 30:1-11, 30:1-12, and 30:1-20 to administer or supervise the administration of social service and training programs and has, in turn, designated the Departmental Component to be directly responsible for the funding, implementation and administration of certain social service and training programs, including the program(s) covered by this Contract; and

WHEREAS the Department desires that the Provider Agency provide services and the Provider Agency has agreed to provide services in accordance with the terms and conditions contained in this Contract;

THEREFORE the Department and the Provider Agency agree as follows:

I. DEFINITIONS

For the purposes of this document, the following terms, when capitalized, shall have meanings as stated:

Additional Insured means an endorsement to an insurance policy extending the coverage to the State of New Jersey against loss in accordance with the terms of the policy. Designating the State as an additional insured permits the Department to pay the premium should the insured fail to do so.

Annex(es) means the attachment(s) to this document containing programmatic and financial information.

Contract means this document, the Annex(es), any additional appendices or attachments (including any approved assignments, subcontracts or modifications) and all supporting documents. The Contract constitutes the entire agreement between the parties.

Expiration means the cessation of the Contract because its term has ended.

Notice means an official written communication between the Department and the Provider Agency. All Notices shall be delivered in person or by certified mail, return receipt requested, and shall be directed to the persons and addresses specified for such purpose in the Annex(es) or to such other persons as either party may designate in writing.

The Notice shall also be sent by regular mail and shall be presumed to have been received by the addressee five Days after being sent to the last address known by the Department.

Termination means an official cessation of this Contract, prior to the expiration of its term, that results from action taken by the Department or the Provider Agency in accordance with provisions contained in this Contract.

II. BASIC OBLIGATIONS OF THE DEPARTMENT

Section 2.01 Payment. As established in the Annex(es), payment for Contract services delivered shall be based on allowable expenditures or the specified rate per unit of service delivered. Such payment(s) shall be authorized by the Department in accordance with the time frames specified in the Annex(es). Total payments shall not exceed the maximum Contract amount, if any, specified in the Annex(es). All payments authorized by the Department under this Contract shall be subject to revision on the basis of an audit or audits conducted under Section 3.09 Audit or on the basis of any Department monitoring or evaluation of the Contract.

Section 2.02 Referenced Materials. Upon written request of the Provider Agency, the Department shall make available to the Provider Agency copies of federal and State regulations and other material specifically referenced in this document.

III. BASIC OBLIGATIONS OF THE PROVIDER AGENCY

Section 3.01 Contract Services. The Provider Agency shall provide services to eligible persons in accordance with all specifications contained in this Contract.

Section 3.02 Reporting. The Provider Agency shall submit to the Department programmatic and financial reports on forms provided by the Department. The reporting frequency and due date(s) are specified and sample forms to be used are included in the Annex(es), or otherwise made available by the Departmental Component.

Section 3.03 Compliance with Laws. The Provider Agency agrees in the performance of this Contract to comply with all applicable federal, State and local laws, rules and regulations (collectively, "laws"), including but not limited to the following: State and local laws relating to licensure; federal and State laws relating to safeguarding of client information; the federal Civil Rights Act of 1964 (as amended); P.L. 1975, Chapter 127, of the State of New Jersey (N.J.S.A. 10:5-31 et seq.) and associated executive orders pertaining to affirmative action and nondiscrimination in public contracts; the federal Equal Employment Opportunity Act; Section 504 of the federal Rehabilitation Act of 1973 pertaining to non-discrimination on the basis of handicap, and regulations thereunder; the Americans With Disabilities Act (ADA), 42 U.S.C. 12101 et seq. Failure to comply with the laws, rules and regulations referenced above shall be grounds for Termination of this Contract for cause.

If any provision of this Contract shall conflict with any federal or State law(s) or shall have the effect of causing the State to be ineligible for federal financial participation in payment for Contract services, the specific Contract provision shall be considered amended or nullified to conform to such law(s). All other Contract provisions shall remain unchanged and shall continue in full force and effect.

Section 3.04 Business Registration. According to P.L. 2001, c. 134 (N.J.S.A. 52:32-44 et seq.) all profit and non-profit corporations (domestic and foreign), as well as, all limited partnerships, limited liability companies, and limited liability partnerships must submit annual reports and associated processing fees (annual business registration) to the Division of Revenue, Department of the Treasury commencing with the year after they file for their Certificate of Incorporation with the State of New Jersey. No State agency (the Department) may Contract with a Provider Agency if the Provider has not filed for its incorporation papers or filed its annual business registration. Furthermore, no Provider Agency that Contracts with the Department shall enter into any subcontract unless the subcontractor can demonstrate that it is incorporated in the State of New Jersey or its annual business registration is current. Failure to comply with this paragraph or the citation referenced above shall be grounds for the Department to Terminate this Contract for cause.

Section 3.05 Set-Off for State Tax. Pursuant to P.L. 1995, c. 159, effective January 1, 1996, and notwithstanding any provision of the law to the contrary, whenever any taxpayer (Provider Agency), partnership or S corporation under contract to provide goods or services or construction projects to the Department is entitled to payment for those goods or services at the same time a taxpayer, partner or shareholder of that entity is indebted for any State tax,

the Director of the Division of Taxation shall seek to set off so much of that payment as shall be necessary to satisfy the

indebtedness. The amount of the set-off shall not allow for the deduction of any expense or other deductions which might be attributable to the taxpayer, partner, or shareholder subject to set-off under this Act.

The Director of the Division of Taxation shall give notice of the set-off to the taxpayer, partner or shareholder and provide an opportunity for a hearing within 30 Days of such notice under the procedures for protests established under R.S. 54:49-18. No request for conference, protest or subsequent appeal to the Tax Court from any protest shall stay the collection of the indebtedness. Interest that may be payable by the State, pursuant to P.L. 1987, c. 184 (c. 52:32-32 et seq.) to the taxpayer shall be stayed.

Section 3.06 Affirmative Action. During the performance of this Contract, the contractor (Provider Agency) agrees as follows:

The contractor or subcontractor, will not discriminate against any employee or applicant for employment because of age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, sex or disability. Except with respect to affectional sexual orientation, the contractor will take affirmative action to ensure that such applicants are recruited and employed.

The contractor will also take affirmative action to ensure that employees are treated during employment, without regard to their age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, sex or disability. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Public Agency Compliance Officer setting forth provisions of this non-discrimination clause.

The contractor or subcontractor, where applicable, in all solicitations or advertisements for employees placed by or on behalf of the contractor, shall state that all qualified applicants will receive consideration for employment without regard to age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, sex or disability.

The contractor or subcontractor, where applicable, will send to each labor union or representative or workers with which it has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer advising the labor union or workers' representative of the contractor's commitments under this Act and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

The contractor or subcontractor, where applicable, agrees to comply with the regulations promulgated by the Treasurer pursuant to P.L. 1975, c. 127, as amended and supplemented from time to time.

The contractor or subcontractor agrees to attempt in good faith to employ minority and female workers consistent with the applicable county employment goals prescribed by N.J.A.C. 17:27-5.2 promulgated by the Treasurer pursuant to P.L. 1975, c. 127, as amended and supplemented from time to time or in accordance with a binding determination of the applicable county employment goals determined by the Affirmative Action Office pursuant to N.J.A.C. 17:27-5.2 promulgated by the Treasurer pursuant to P.L. 1975, c. 127, as amended and supplemented from time to time.

The contractor or subcontractor agrees to inform in writing appropriate recruitment agencies in the area, including employment agencies, placement bureaus, colleges, universities, and labor unions, that it does not discriminate on the basis of age, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, sex or disability, and that it will discontinue the use of any recruitment agency which engages in direct or indirect discriminatory practices.

The contractor or subcontractor agrees to revise any of its testing procedures, if necessary, to assure that all personnel testing conforms with the principles of job-related testing, as established by the statutes and court decisions of the State of New Jersey and as established by applicable federal law and applicable federal court decisions.

The contractor and subcontractor agree to review all procedures relating to transfer, upgrading, downgrading and layoff to ensure that all such actions are taken without regard to age, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, sex or disability, and conform with the applicable employment goals, consistent with the statutes and court decisions of the State of New Jersey, and applicable federal law and applicable federal court decisions.

The contractor and its subcontractors shall furnish such reports or other documents to the Affirmative Action Office as may be requested by the Office from time to time in order to carry out the purposes of these regulations, and public agencies shall furnish such information as may be requested by the Affirmative Action Office for conducting a compliance investigation pursuant to Subchapter 10 of the Administrative Code (N.J.A.C. 17:27).

Section 3.07 Department Policies and Procedures. In the administration of this Contract, the Provider Agency shall comply with all applicable policies and procedures issued by the Department including, but not limited to, the policies and procedures contained in the Department's Contract Reimbursement Manual (as from time to time amended) and the Department's Contract Policy and Information Manual (as from time to time amended). Failure to comply with these policies and procedures shall be grounds to terminate this Contract.

Section 3.08 Financial Management System. The Provider Agency's financial management system shall provide for the following:

- (a) accurate, current and complete disclosure of the financial results of this Contract and any other contract, grant, program or other activity administered by the Provider Agency;
- (b) records adequately identifying the source and application of all Provider Agency funds and all funds administered by the Provider Agency. These records shall contain information pertaining to all contract and grant awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays and income;
- (c) effective internal control structure over all funds, property and other assets. The Provider Agency shall adequately safeguard all such assets and shall ensure that they are used solely for authorized purposes;
- (d) comparison of actual outlays with budgeted amounts for this Contract and for any other contract, grant, program or other activity administered by the Provider Agency;
- (e) accounting records supported by source documentation;
- (f) procedures to minimize elapsed time between any advance payment issued and the disbursement of such advance funds by the Provider Agency; and

- (g) procedures consistent with the provisions of any applicable Department policies and procedures for determining the reasonableness, allowability and allocability of costs under this Contract.

Section 3.09 Audit. The Department requires submission of the Provider Agency's annual organization-wide audit.

Audits shall be conducted in accordance with the Federal Single Audit Act of 1984, generally accepted auditing standards as specified in the Statements on Auditing Standards issued by the American Institute of Certified Public Accountants and Government Auditing Standards issued by the Comptroller General of the United States.

At any time during the Contract term, the Provider Agency's overall operations, its compliance with specific Contract provisions, and the operations of any assignees or subcontractors engaged by the Provider Agency under Section 5.02 Assignment and Subcontracts may be subject to audit by the Department, by any other appropriate unit or agency of State or federal government, and/or by a private firm or firms retained or approved by the Department for such purpose.

Whether or not such audits are conducted during the Contract term, a final financial and compliance audit of Contract operations, including the relevant operations of any assignees or subcontractors, may be conducted after Contract Termination or Expiration.

The Provider Agency is subject to audit up to four years after Termination or Expiration of the Contract. If any audit has been started but not completed or resolved before the end of the four-year period, the Provider Agency continues to be subject to such audit until it is completed and resolved.

Section 3.10 Federal Davis-Bacon Act and New Jersey Prevailing Wage Act. Any Department Contract containing federal funds in excess of \$2,000 utilized for the construction, alteration, renovation, repair or modification of public works or public buildings to which the federal government is a party, or any contract for similar work on public works financed with federal funds must comply with the federal Davis-Bacon Act, 40 U.S.C. section 276a et seq. The Davis-Bacon Act requires that the contractor must pay the prevailing wages to each designated worker class engaged under the contract at wage rates determined by the U.S. Secretary of Labor.

In addition, any State funds in excess of \$2,000 utilized through a subsequent Provider Agency contract or subcontract for any public work in which the Department is a party, or for public work to be done on property or premises leased or to be leased by the Department shall comply with the NJ Prevailing Wage Act, N.J.S.A. 34:11-56.27. Such

contracts or subcontracts shall contain a provision stating that the prevailing wage rate, as designated by the New Jersey Commissioner of Labor, must be paid to all designated classes of workers employed through said contracts or subcontracts. The Provider Agency must determine if the New Jersey Prevailing Wage Act applies and follow all directives per N.J.S.A. 34:11-56 et seq.

Section 3.11 Contract Closeout. The Provider Agency shall comply with all requirements of Policy Circular P7.01, Contract Closeout, including the timely submittal of the Final Report of Expenditures and any other financial or programmatic reports required by the Department. All required documentation is due within 120 Days of Contract Expiration or Termination.

IV. TERMINATION

The Department may terminate or suspend this Contract in accordance with the sections listed below.

Section 4.01 Default and Termination for Cause. If the Provider Agency fails to fulfill or comply with any of the terms or conditions of the Contract, in whole or in part, the Department may by Notice place the Provider Agency in default status, and take any action(s) listed in accordance with Department Policy Circular P9.05, Contract Default. Notice shall follow the procedures established in the Policy Circular.

The above notwithstanding, the Department may immediately upon Notice terminate the Contract prior to its expiration, in whole or in part, whenever it is determined that the Provider Agency has jeopardized the safety and welfare of the Department's clients, materially failed to comply with the terms and conditions of the Contract, or whenever the fiscal or programmatic integrity of the Contract has been compromised. The Notice of Termination shall state the reason for the action(s); the Provider Agency's informal review options, time frames and procedures; the effective date of the Termination; and the fact that a request for a review of the decision for action(s) does not preclude the determined action(s) from being implemented.

Section 4.02 Termination by the Department or Provider Agency. The Department or provider Agency may terminate this Contract upon 60 Days' advance written Notice to the other party for any reason whatsoever, including lack of funding by the Department.

The parties expressly recognize and agree that the Department's ability to honor the terms and conditions of this Contract is contingent upon receipt of federal funds and/or appropriations of the

State legislature. If during the term of this Contract, therefore, the federal and/or the State government reduces its allocation to the Department, the Department reserves the right, upon Notice to the Provider Agency, to reduce or terminate the Contract.

Section 4.03 Termination Settlement. When a Contract is terminated under any section of Article IV of this Contract or Policy

Circular P9.05, Contract Default, the Provider Agency shall be prohibited from incurring additional obligations of Contract funds. The Department may allow costs that the Provider Agency could not reasonably avoid during the Termination process to the extent that said costs are determined to be necessary and reasonable.

The Provider Agency and Department shall settle or adjust all accounts in a manner specified by the Department and shall be subject to a final audit under Section 3.09 Audit.

V. ADDITIONAL PROVISIONS

Section 5.01 Application of New Jersey Law. This Contract shall be governed, construed and interpreted in accordance with the laws of the State of New Jersey including the New Jersey Contractual Liability Act (N.J.S.A. 59:13-1 et seq.).

Section 5.02 Assignment and Subcontracts. This Contract, in whole or in part, may not be assigned by the Provider Agency or assumed by another entity for any reason, including but not limited to changes in the corporate status of the Provider Agency, without the prior written consent of the Department. Upon prior written notice of a proposed assignment, the Department may: (1) approve the assignment and continue the Contract to term; (2) approve the assignment conditioned upon the willingness of the assignee to accept all contractual modifications deemed necessary by the Department; or (3) disapprove the assignment and either terminate the Contract or continue the Contract with the original Provider Agency.

The Provider Agency may not subcontract any of the services that it has committed to perform or provide pursuant to this Contract without the prior written approval of the Department. Such consent to subcontract shall not relieve the Provider Agency of its full responsibilities under this Contract. Consent to the subcontracting of any part of the services shall not be construed to be an approval of said subcontract or of any of its terms, but shall operate only as an approval of the Provider Agency's request for the making of a subcontract between the Provider Agency and its chosen subcontractor. The Provider Agency shall be responsible for all services performed by

the subcontractor and all such services shall conform to the provisions of this Contract.

Section 5.03 Client Fees. Other than as provided for in the Annex(es) and/or Departmental Component specific policies, the Provider Agency shall impose no fees or any other types of charges of any kind upon recipients of Contract services.

Section 5.04 Indemnification. The Provider Agency shall assume all risk of and responsibility for, and agrees to indemnify, defend and hold harmless the State of New Jersey and its employees from and against any and all claims, demands, suits, actions, recoveries, judgments and costs, and expenses in connection therewith on account of the loss of life, property or injury or damages to the person, body or property of any person or persons, whatsoever, which shall arise from or result directly or indirectly from (1) the work, service or materials provided under this Contract; or (2) any failure to perform the Provider's obligations under this Contract or any improper or deficient performance of the Provider's obligations under this Contract. This indemnification obligation is not limited by, but is in addition to, the insurance obligations contained in this Contract.

Furthermore, the provisions of this indemnification clause shall in no way limit the obligations assumed by the Provider under this Contract, nor shall they be construed to relieve the Provider from any liability nor preclude the State of New Jersey, its Agencies, and/or the Department of Human Services from taking any other actions available to them under any other provisions of this Contract or otherwise in law.

Section 5.05 Insurance. The Provider Agency shall maintain adequate insurance coverage. The State shall be included as an Additional Insured on any insurance policy applicable to this Contract. Should the Provider Agency fail to pay any premium on any insurance policy when due, the Department may pay the premium and, upon Notice to the Provider Agency, reduce payment to the Provider Agency by the amount of the premium payment.

Section 5.06 Modifications and Amendments. If both parties to this Contract agree to amend or supplement this Contract, any and all such amendments or supplements shall be in writing and signed by both parties. The amendment or supplement shall incorporate the entire Contract by reference and will not serve to contradict, amend or supplement the Contract except as specifically expressed in the amendment or supplement.

Section 5.07 Statement of Non-Influence. No person employed by the State of New Jersey has been or will be paid any fee, commission,

or compensation of any kind or granted any gratuity by the Provider Agency or any representative thereof in order to influence the awarding or administration of this Contract.

Section 5.08 Exercise of Rights. A failure or a delay on the part of the Department or the Provider Agency in exercising any right, power or privilege under this Contract shall not waive that right, power or privilege. Moreover, a single or a partial exercise shall not prevent another or a further exercise of that or of any other right, power or privilege.

Section 5.09 Recognition of Cultural Sensitivity. The Provider Agency agrees in the performance of this Contract to be sensitive to the needs of the minority populations of the State of New Jersey. This sensitivity includes the employment, if possible, of a culturally diverse staff that can communicate with, and be representative of, the community it serves.

The Provider Agency shall make programs linguistically appropriate and culturally relevant to underserved minority groups within the community. Appropriate accommodations for services shall be developed and maintained for those minority individuals who are deprived of reasonable access to those services due to language barriers or ethnic and cultural differences. In addition, Provider Agencies shall make certain that all programs and services are reflective of the demographic needs of the community, while providing all minorities the opportunity to experience any and all available social services irrespective of their ethnic or cultural heritage.

Section 5.10 Copyrights. The State of New Jersey reserves a royalty-free, nonexclusive and irrevocable right to reproduce, publish or otherwise use any work or materials developed under a Department or federally funded contract or subcontract. The Department also reserves the right to authorize others to reproduce, publish or otherwise use any work or materials developed under said contract or subcontract.

Section 5.11 Successor Contracts. If an audit or Contract close-out reveals that the Provider Agency has failed to comply with the terms and/or conditions of this Contract, the Department reserves the right to make all financial and/or programmatic adjustments it deems appropriate to any other Contract entered into between the Department and the Provider Agency.

Section 5.12 Sufficiency of Funds. The Provider Agency agrees that this Contract is contingent upon availability of appropriated funding and fulfillment of the following procedure(s):

A separate Contract confirmation letter may be sent by the Department's Contract Policy and Management Unit to the Provider Agency prior to the effective date of the Contract. The confirmation shall include the Contract term and the negotiated Contract reimbursable ceiling. The confirmation letter shall be signed by the authorized Provider Agency signatory and returned to the Contract Policy and Management Unit. The Contract shall not be valid or binding and no payment(s), other than the Initial Advance Payment will be approved until the Contract Policy and Management Unit is in receipt of a properly executed confirmation letter.

Whenever a Contract ceiling is revised (increased or decreased) during the Contract term, a Contract Modification confirmation letter may be initiated that follows the same procedure as the Contract confirmation letter.

The Contract term and reimbursement ceiling specified in the Contract confirmation letter(s) are hereby incorporated into and made a part of this Contract.

Section 5.13 Collective Bargaining. State and federal law allow employees to organize themselves into a collective bargaining unit.

Funds provided under this Contract shall not be utilized to abridge the rights of employees to organize themselves into a collective bargaining organization or preclude them from negotiating with Provider Agency management. Funds may be utilized for legitimate and reasonable management purposes at the direction of the Provider Agency during the process of collective bargaining organization.

Section 5.14 Independent Employer Status. Employees of Provider Agencies that Contract with the Department of Human Services are employees of the Provider Agency, not the State.

In accordance with the National Labor Relations Act, 29 U.S.C.A. 152(2) and State law, N.J.S.A. 34:13A-1 et seq., Provider Agencies are independent, private employers with all the rights and obligations of such, and are not political subdivisions of the Department of Human Services.

As such, the Provider Agency acknowledges that it is an independent contractor, providing services to the Department of Human Services, typically through a contract-for-services agreement. As independent contractors, Provider Agencies are responsible for the organization's overall functions which includes the overseeing and monitoring of its operations, establishing the salary and benefit levels of its employees, and handling all personnel matters as the employer of its workers.

The Provider Agency acknowledges its relationship with its employees as that of employer. While the Department has an adjunct role with Provider Agencies through regulatory oversight and ensuring contractual performance, the Provider understands that the Department is not the employer of a Provider Agency's employees.

The Provider Agency further acknowledges that while the Department reimburses Provider Agencies for all allowable costs under the Contract, this funding mechanism does not translate into the Department being responsible for any of the elements of any collective bargaining agreements into which Provider Agencies may enter. Moreover, each Provider Agency understands that it is responsible for funding its own programs and is not limited to the

amount of funding provided by the Department, and, in fact, is encouraged to solicit non-State sources of funding, whenever possible.

Section 5.15 Executive Order No. 189. Executive Order No. 189 establishes the expected standard of responsibility for all parties that enter into a contract with the State of New Jersey. All such parties must meet a standard of responsibility that assures the State and its citizens that such parties will compete and perform honestly in their dealings with the State and avoid conflicts of interest.

In compliance with Paragraph 3 of Executive Order No. 189, no Provider Agency shall pay, offer to pay, or agree to pay, either directly or indirectly, any fee, commission, compensation, gift, gratuity, or other thing of value of any kind to any State officer or employee or special State officer or employee, as defined by N.J.S.A. 52:13D-13b and e, in the Department of the Treasury or any other agency with which such Provider Agency transacts or offers or proposes to transact business, or to any member of the immediate family, as defined by N.J.S.A. 52:13D-13i, of any such officer or employee, or any partnership, firm, or corporation with which they are employed or associated, or in which such officer or employee has an interest within the meaning of N.J.S.A. 52:13D-13g.

The solicitation of any fee, commission, compensation, gift, gratuity or other thing of value by any State officer or employee or special State officer or employee from any Provider Agency shall be reported in writing forthwith by the Provider Agency to the Attorney General and the Executive Commission on Ethical Standards.

No Provider Agency may, directly or indirectly, undertake any private business, commercial or entrepreneurial relationship with, whether or not pursuant to employment, contract or other agreement, express or implied, or sell any interest in such Provider Agency to, any State officer or employee or special State officer or employee

having any duties or responsibilities in connection with the purchase, acquisition or sale of any property or services by or to any State agency or any instrumentality thereof, or with any person, firm or entity with which he is employed or associated or in which he has an interest within the meaning of N.J.S.A. 52:13D-13g. Any relationships subject to this provision shall be reported in writing forthwith to the Executive Commission on Ethical Standards, which may grant a waiver of this restriction upon application of the State officer or employee or special State officer or employee upon a finding that the present or proposed relationship does not present the potential, actuality or appearance of a conflict of interest.

No Provider Agency shall influence, or attempt to influence or cause to be influenced, any State officer or employee or special

State officer or employee in his official capacity in any manner which might tend to impair the objectivity or independence of judgment of said officer or employee.

No Provider Agency shall cause or influence, or attempt to cause or influence, any State officer or employee or special State officer or employee to use, or attempt to use, his official position to secure unwarranted privileges or advantages for the Provider Agency or any other person.

The provisions cited above shall not be construed to prohibit a State officer or employee or special State officer or employee from receiving gifts from or contracting with Provider Agencies under the same terms and conditions as are offered or made available to members of the general public subject to any guidelines the Executive Commission on Ethical Standards may promulgate.

CONTRACT SIGNATURES AND DATES

The terms of this Contract have been read and understood by the persons whose signatures appear below. The parties agree to comply with the terms and conditions of the Contract set forth on the preceding pages in Articles I through Article V, and any related Annexes.

This Contract contains ____ pages and is the entire agreement of the parties. Oral evidence tending to contradict, amend or supplement the Contract is inadmissible; the parties having made the Contract as the final and complete expression of their agreement.

BY: _____
(signature)

BY: _____
(signature)

(type name)

(type name)

TITLE: _____
(type)

TITLE: _____
(type)

PROVIDER
AGENCY: _____
(type)

DEPARTMENTAL
COMPONENT: _____
(type)

DATE: _____

DATE: _____

Contract Effective Date: _____

Contract Expiration Date: _____

Contract Number: _____

Contract Ceiling: _____

Federal ID#: _____

Provider Contact Individual: _____
(Print Name)

INTRODUCTION
COMMUNITY CHILD CARE CONTRACT

The Division of Family Development (DFD) has developed the Community Child Care Contract Package to standardize program and reporting requirements for all DFD child care contract components.

The DFD Center Based Care (CBC) Program – Income eligibility requirements must be met. Assessment of parent co-pay required for all components (except Transportation and Abbott Wraparound (FDFY)). Components Include:

COMPONENT TYPES

ABBREVIATION

Preschool	DCPS
Infant	DCINF
Before and After Kindergarten	DCBAK
After School	DCAFTSCH
Summer Camp	DCSUM
Before School Day Care	DCBS
Before and After School	DCBAS
Transportation (designated programs only)	TRANS
Abbott Wraparound	FDFY

Your draft calculation worksheet attached to your award/renewal letter designates the components (as defined above) and the level of funding for your contract (no funding is final until the contract has been executed).

You must complete this package according to the instructions and information included and/or indicated on the contract checklist attached to your award/renewal letter. Please meet deadlines as indicated by this office. Failure to follow instructions or to meet deadlines requested by DFD may result in delays in executing your contract or loss of funding to your program.

Thank you in advance for your cooperation.

Division of Family Development Program Requirements

Record Keeping

An internal record keeping system that provides accurate program, fiscal and administrative information must be established.

A file and records system must be established which includes official documents for each staff member including qualifications for appointment or promotion, periodic pay increases (when applicable), records of continued training or education, official recognition, performance evaluation, and disciplinary action. The system must protect the confidentiality of personnel records.

Records, the confidentiality of which shall be ensured, shall include data pertinent to specific families, i.e., completed enrollment forms, income verification documents when applicable, referral and follow-up reports, and reports of contacts with other agencies and families. Only authorized persons shall have access to related information on children's files. As with all other child/family information, information shall be released only with informed written parental consent.

All records shall be retained in accordance with regulations outlined in the DHS Contract Policy and Information Manual, Policy Circular P8.01.

Communication among Program Management, Program Staff, Advisory Committees, and Parents

A process to provide two-way communication on a regular basis between staff and parents/guardians must be established. The center shall provide information about the program and its services, which includes: program activities for the children. When a majority of the parents/guardians speak a common language other than English, written communication with them must be in that language.

The Community-Based Organization must make every effort to assure that communication is designed and carried out in a way that reaches parents/guardians and staff effectively. Staff and parents/guardians must participate in the planning and development of the communication system used. Parents/guardians must be informed about the program and day-to-day events that may affect their children through regular newsletters, bulletin boards, frequent notes, telephone calls, and other similar measures. Parents must be encouraged to participate in program activities.

Basic Staff Requirements

The staff must reflect the multiple racial, ethnic, and cultural composition of the community in which the program is located. When a majority of the children speak a common language other than English, at least one staff member interacting regularly with the children must speak that language.

Staffing Pattern

Each education program must be staffed with a full-time on site Program Director. The director will be responsible for the development and implementation of the overall program, including procedures and practices to assure open access to parents and parental involvement in all aspects of the local program.

Professional Development and Staff Training Requirements

The Community-Based Organization must develop and implement a comprehensive staff development program to develop and strengthen staff skills.

The Plan, shall include an analysis of the staff training needs, and must address the identified needs, program priorities and initiatives. The staff development plan must be designed to provide pre- and in-service training for all staff members who interact with children and parents and shall also meet DHS Office of Licensing requirements. Staff must participate in staff development activities required for all programs.

Services Delivery

The program shall consist of scheduled classroom activities, operating appropriate hours and days as determined by the child care component. Educational services of high quality must be provided by following a developmentally appropriate curriculum. The child care agency must immediately notify the Division by telephone or facsimile of any unusual event or emergency closing, and submit all required supporting documentation within 15 days following the reported date of the incident. An unusual event includes any event affecting performance as soon as they are known, including unscheduled closing of the early childhood education program.

Facility

Programs sponsored by a provider must meet all state licensing requirements for the operation of a child care facility pursuant to the Child Care Center Licensing Act (N.J.A.C. 10:22).

Space in programs will be organized into learning centers. Space, light, ventilation, heat, and other physical arrangements must be consistent with the health, safety, and developmental needs of the children.

Equipment and Materials

Each education program must be equipped with a variety of safe, durable, age-appropriate equipment and materials for indoor and outdoor activities. Equipment and materials must be sufficient in number and variety to support the educational program, with emphasis on the attitudes, skills, and concepts that are consistent with program objectives, and the cultural and ethnic backgrounds of the children.

Equipment and materials must be organized in inviting areas of interest which encourage independent choice, exploratory and problem-solving activity, cooperative activity, and alternation between quiet and active exploration and teacher-and child-initiated learning activities. Furniture must be of the proper size and height; equipment must be sturdy and free from toxic paint, sharp edges, or other potential dangers.

Curriculum and Planning

A developmentally appropriate curriculum must be established and implemented.

Participation in the United State Department of Agriculture (USDA) National School Lunch Program or Child and Adult Care Food Program (CACFP) is recommended to receive additional subsidy for nutritional and food service operation.

Health and Safety

Accurate health records must be maintained in individual files for each child that includes an up-to-date record of immunizations and emergency contact information.

Plans must be developed for handling medical and dental emergencies. Procedures must also be in place to notify parents of any type of emergency that affects their children and/or which may result in a disruption of service. The provider's policy on releasing children, toileting, communicable disease notification and dispensing medication must be distributed in writing to all parents.

Procedures must be established and maintained to help the child's family acquire the necessary information and skills to facilitate their participation in an ongoing health care system (i.e., NJ Family Care).

Eligibility and Enrollment

(For all components except Abbott Wraparound (Full Day Full Year –FDFY)

To receive services provided through the program. Please refer to the Child Care Manual:

- The parents must be working or in a school/training program on a full-time basis. If working must be working a minimum of 20 hours per week. If full-time in school/training must be enrolled a minimum of 12 credits per semester.
- The families must meet income eligibility guidelines as specified on the Child Care Eligibility Schedule.

The enrollment procedure shall ensure that the parent(s)/guardian must:

- Be given complete information about the program that includes all policies and procedures relating to the program;
- Delineate the hours per day and number of months the child will participate in the program; and
- Sign the Child Care Eligibility application and fee agreement, thereby agreeing to send the child to the program on a regular basis.
- Submit proof of income for the four most recent consecutive weeks.

All information required for the child's records shall be recorded and reviewed during the enrollment interview and maintained in the child's individual record. Parents must be provided with opportunity and time to review and discuss any questions or concerns about the policies and procedures of the program.

Procedures for Chronic Absenteeism or Tardiness

Children who do not attend on a regular basis, shall be referred to the director. A meeting with the parent should occur to determine the reasons for the problem and identify ways to resolve the problem. Inability to resolve the problem after documented interventions may result in termination of services for child (ren).

Collecting Fees

(For all components except Abbott Wraparound (Full Day Full Year – FDFY)

It is the responsibility of the Community-Based Organization to assess and collect all co-pay fees for the day care services. As required, no fees may be charged for costs associated with services provided, such as registration, educational trips, curriculum fees, and classroom supplies or material. In cases involving recreational trips, a fee may be assessed. However, provisions must be made either to:

- Enable a child to participate if the fees are not paid; or
- Provide for the supervision of any child if the fee is not paid or if parent does not wish the child to attend the event.

Monitoring and Evaluation

The Division will monitor and evaluate program progress regarding compliance with law and code during unannounced, random visits throughout the year. Compliance to program standards is required as a condition for continued funding.

The Division may request surveys and other information during the program year. The evaluation procedure applies to all contracted agencies. The CBO must agree to cooperate with the Department's or Division's program evaluation requirements, collecting and transmitting or allowing access to child-specific and program information.

Performance Standards for CBC Centers

The Division will use The Environment Rating Scales published through the Teachers College Press to evaluate the CBC centers. These rating scales are specific to Infant/Toddler (ITERS), Pre-school (ECERS) programs. These scales are used as a basic organizer and are most actively used as a program development tool. At the outset, the Division has a set minimal rating of 3 in all areas of the rating scale. The goal for the future is that all centers attain a rating of 5 or above in all areas of the scale. A center that has a rating of below 3 will be out of compliance. A Corrective Action Plan (CAP) must be submitted to ensure the center will strive toward the goal of 5 within two years. These centers will also be expected to continue to strive to the highest rating of 7. The Division's CBC Specialist will conduct a follow-up visit to ensure the center has implemented the CAP and is striving toward a rating of 5-7 in all areas of the scale. A center that has a rating of above 3 will be asked to submit a CAP to ensure improvements on an ongoing basis, and strive toward a rating of 5. These centers will also be expected to continue to strive to the highest rating of 7. Centers with rating of 5 or above will be expected to continue to strive to the highest rating of 7.

DEFINITIONS

Center Based Care – DFD funded childcare contracts for income eligible families.

CCR&R- Child Care Resource and Referral Agency (formerly known as UCCA)

Department of Human Services (DHS) – New Jersey Department of Human Services.

Director – A Child Care Center staff member designated by the agency to coordinate the provision of services under the DFD contract.

DFD – New Jersey Division of Family Development.

DYFS – New Jersey Division of Youth and Family Services.

OOL- Office of Licensing

Full Year Programs – Any DFD contract community childcare program funded for 260-262 days out of the year. This includes preschool (DCPS), infants (DCINF), before and after kindergarten (DCBAK), and those agencies with both afterschool (DCAFTSCH) and summer (DCSUM) components.

Funded Days – The total number of days the DFD contract is funded.

Holiday/Training Days – Days allocated and funded for the agency to use to schedule holidays (maximum of 15) and training days (minimum of 3) for a combined maximum of 18. Holidays can be used as training days and should be identified as additional training days (i.e. 14 holidays and 4 training days equals 18 days so a total of 18 days has been allocated for this purpose). For partial year programs (less than 260 days) one holiday is allocated for each full month of service and one training day per quarter(3 months).

Partial Year Programs – Components under 260 days. This includes programs that only have either a summer (DCSUM) component or an afterschool (DCAFTSCH) component.

Presumptive Child Attendance Day (PCAD's) – PCAD's are days counted as attendance days if the childcare facility was closed due to incidents beyond the control of the center and therefore significantly impacted on the child care center population (e.g. snow days, fire or weather related damage to the center, or a health related epidemic such as chicken pox).

Any PCAD's not meeting the above requirements will be disallowed and a revised report removing these days will be required. So be careful what you claim. For example, this should not include children who are absent due to illness or family vacation.

Training Days – In-Service days identified for the purpose of staff training. For full year programs, a minimum of 3 days are required and must be identified. Partial year programs are entitled to at least one training day up front and 1 additional day per quarter thereafter (maximum of three).

REPORTING REQUIREMENTS

For all DFD Contracted Community Child Care Providers.

The Agency must submit the Quarterly Level of Service Form for each component. **Quarterly report forms must be submitted by the 10th day of the following month of the applicable quarter. Failure to provide quarterly reports could impact on continuation of funding during the contract or recoupment of funding at closeout.**

- **ALL FDFY contracted components/agencies** are required to complete **ABB1 Forms**. These forms should be sent to your County Child Care Resource and Referral Agency (CCR&R) by the 10th day of the following month and to your local school district. You are no longer required to send ABB1 forms to DFD. If you need information regarding the ABB1 Forms, please call your County CCR&R.

Days of Service

Full Year Programs (DCPS, DCINF, DCBAK, DCAFTSCH w/DCSUM)

- The Contract is funded for a full year of services (including summer).
 - A minimum of 260 days are funded for full year programs. 18 days can be allocated as holidays and training days (H/T) for full year programs.
 - The 18 days can be used for a maximum of 15 holidays (vacation days) and a minimum of 3 training days.
 - The rate for services is a weekly rate set by the Division of Family Development. This is used to determine your funding and to close out your contract.
- If at least 80% attendance occurs during the contract term (12 Months) then full reimbursement will occur. Adjustments to the contract's ceiling, # of slots, and/or payments may be made during the contract term if level of service is projected to be below 80% of the contract level of service or if there are other changes i.e. increase or decrease in the unit rate for services.
- All childcare contracts are paid on a quarterly basis. An advance payment for the three months is made at the start of the contract. Three additional quarterly payments are made in the 4th, 7th and 10th month of the contract.
- Notify your contract administrator in writing if the holiday schedule (Annex C1) that was submitted changes during the contract term. You will be mailed or faxed a revised Annex C2 for proper completion of the Quarterly Level of Service Report.

Partial Year Programs (DCAFTSCH, DCSUM, DCBS)

- The Contract is funded for less than 260 days. The type of program will determine the number of funded days (example: DCSUM is normally a 2 month program while Afterschool is a 10 month program). Other than this the process is the same as above for funding of slots, determination of funding and reporting.

CONTRACT CHANGES

The agency must notify their DFD Contract Administrator in writing of the need for any changes to contract funding.

WAIVER POLICY

In special circumstances as defined under **PCAD's**, DFD will grant approval to agency of Presumptive Child Attendance Day. Presumptive attendance requires that the agencies note this in the comment section of their Quarterly Report and attach a letter of explanation signed by the Board President, owner of the center or Director. The Center should count any or all of these days as attended days for the maximum number of children enrolled under the contract.

No other waiver will be granted during the contract year. Your agency can request consideration of special circumstance at the closeout of the contract (see below) if level of service is below 80% and recoupment of funds is necessary.

CONTRACT CLOSE-OUT

After the end of the contract, final close out will occur. If the final level of service (LOS) is below 80%, the difference between the final percentage and 80% will be applied to the Contract Ceiling for recoupment of those funds. Additionally, if it is obvious that the 80% LOS will not be attained, payments may be suspended during the contract term to avoid overpayments. If there are special circumstances, which led to absences, those requests should be outlined in writing. The Division will consider those exceptions.

Quarterly Level of Service Report INSTRUCTIONS

This report must be completed and submitted for each child care component in your DFD contract by no later than the 10th of each month following the end of the quarter. If the quarterly Level of Service (LOS) report is not submitted by your agency this will result in either a delay of renewing the contract or your quarterly payments.

You may send your report electronically as an attachment to dfd-contracts@dhs.state.nj.us

Agency: Enter both the name of the Provider Agency and the name of the program if different.

Contract #: Enter the DFD contract number.

Contract Term: Enter the term of the contract.

Component: Enter the abbreviation for the child care component for this report from the list below:

Preschool-**DCPS**

Infant-**DCINF**

Afterschool-**DCAFTSCH**

Summer Camp-**DCSUM**

Full Day Full Year-**FDFY**

Before and After Kindergarten-**DCBAK**

Before School Day Care – **DCBS**

Before and Afterschool Day Care-**DCBAS**

Reporting Period: Enter the quarterly period for this report. Each quarter should be included on the report for the entire contract year. (Final report shows all four quarters information on report.)

Unit Of Service: Enter the Unit of service the LOS is measured by: The unit of service for all day care components is usually **days** unless otherwise negotiated by your DFD Contract Administrator.

A. Contract Month – Fill in the first through the twelfth months of your contract.

B. Contract slots – The number of contracted DFD slots for each component (*You can find this in your DFD contract in your Annex C2*). This should be the same from month to month unless your contract slots are modified. **If your contract is modified retroactive and your number of slots changes, you must submit revised reports.**

C. Slots Filled – Indicate the total number of children enrolled for the component at the end of each month.

D. Monthly Contract Units – Enter your current contracted LOS from the ‘Total Monthly Units’ column (on the ‘Monthly Contracted Level of Service Page’) of your Annex A. Do include PCADS (Presumptive Child Attendance Days) with an explanation in comments and a letter explaining circumstances.

E. Actual Units – Enter the actual attendance of children enrolled (slots filled) for the specific program component. Do not include holidays and training days.

F. Monthly LOS % - For programs completing this report manually, divide the ‘Actual Units’ by the ‘Monthly Contract Units’ (B/A).

In the **Microsoft Excel** format noted above, this column is calculated automatically.

G. Cumulative LOS % -For programs completing this report manually, divide the Year To Date (YTD) ‘Actual Units’ by the YTD ‘Monthly Contract Units’.

In the **Microsoft Excel** format noted above, this column is calculated automatically.

H. Avg. Weekly Fee at the end of the Quarter – Provide most recent fee information on the average weekly fee (based on assessed fee information not fees collected) for children in the contracted component. This would be calculated by totaling the weekly fee assessment for each child and dividing by the # of children you have reported. If you over-enroll (not applicable to FDFY component) and include the over-enrolled children in your calculation, you must divide by the total number of children and not the contracted slots. DYFS Foster Children served by the component should reflect a fee of \$0.00 but should be included in the count.

Your Program must maintain documentation supporting the average weekly fee reflected on this report for any required program monitoring or audits.

I. # of Children on the Waiting List – Indicate the number of children at the end of each quarter on the waiting list.

J. Self-explanatory.

Comments – Any other comments needed to clarify the information provided.

Agency Signature – Signed by the Program Director to verify the information provided (unless submitted electronically).

ANNEX D

PAYMENT METHOD

All Center Based Care (CBC) and Abbott Wrap Around (FDFY) agencies regardless of contract start date will receive contract payments equal to one quarter of the DFD contract ceiling beginning in the first month of the contract. For example, a January contract will receive payments in January, April, July and the final payment in October. If your agency has enrolled in the ACH payment system, contract installment payments will be wired directly to the bank.

REPORTING REQUIREMENTS

All contracted agencies (CBC and FDFY) are required to submit a **DFD Center Based Care Level of Service Quarterly Report (LOS)**. Complete the **DFD LOS Report** and submit to this office at the address below within 10 days of the end of the quarter. You can email, fax or mail to the following address:

**New Jersey Division of Family Development
Contract Administration Unit
PO Box 716
Trenton, NJ 08625-0716**

FAX Number: 609-588-2257

Email: dfd-contracts@dhs.state.nj.us

All FDFY contracted agencies/components are required to complete **ABB1 Forms**. These forms are to be sent to your **Child Care Resource and Referral Agency (CCR&R)** and your local school district by the 10th day of the following month. **You are no longer required to send ABB1 forms to DFD.** If you need information regarding ABB1 forms, please contact your County CCR&R Agency.

All CBC components must follow the reporting requirements for the **DFD CTRX Child Care Eligibility Reporting System**. Please remember that forms and documents, which are part of the Automated Childcare Reporting System (turnaround documents and eligibility forms), should be returned to the following address:

**New Jersey Division of Family Development
Child Care Operations CTRX Data Entry Unit
P.O. Box 716
Trenton, NJ 08625-0716**

Please Note: It is extremely important this report is submitted on a timely and accurate basis. Failure to do so could result in possible fiscal penalties during your contract or recoupment of contract funding upon closeout of your contract.